

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

Chapter 11

DIRECT REALTY, LLC

Case no. 12-11483

Debtor.

X

NOTICE OF HEARING

PLEASE TAKE NOTICE, that a hearing will be held on December 12, 2013 at 3:30 p.m. (the "Hearing") before the Honorable Martin Glenn, United States Bankruptcy Judge, at the United States Bankruptcy Court, One Bowling Green, New York , New York 10004 to consider the application of Eastern Consolidated, Real Estate Broker (the "Broker") for Direct Realty, LLC, the debtor herein (the "Debtor"), for payment of a 1.9% brokerage commission and approved fees arising from the sale of the Debtor's real property located at 334-336 West 46th Street, New York, New York (the "Property") pursuant to 11 U.S.C. § 330(a) and Federal Rule of Bankruptcy Procedure 2016.

PLEASE TAKE FURTHER NOTICE, that objections, if any, must be in writing, served upon the undersigned, and filed with the Clerk of the Bankruptcy Court, with a courtesy copy to Judge Glenn's chambers, so as to be received at least seven (7) days prior to the Hearing date.

Dated: New York, New York
November 22, 2013

BACKENROTH FRANKEL & KRINSKY, LLP
Attorneys for the Debtor

By: s/ Mark Frankel
489 Fifth Avenue
New York, New York 10017
(212) 593-1100

UNITED STATES BANKRUPTCY COURT
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APPLICATION FOR PAYMENT OF REAL ESTATE BROKERAGE COMMISSION

Eastern Consolidated, real estate broker (the "Broker") for Direct Realty, LLC, the debtor herein (the "Debtor"), as and for its application for payment of a 1.9% brokerage commission and approved fees of \$2,010 arising from the sale of the Debtor's real property located at 334-336 West 46th Street, New York, New York (the "Property") pursuant to 11 U.S.C. § 330(a) and Federal Rule of Bankruptcy Procedure 2016 respectfully represent as follows:

1. On March 18, 2010, the Debtor filed its Chapter 11 Petition.

2. By order dated April 16, 2013, this Court entered an order (the "Order") authorizing the Debtor to retain the Broker to sell the Property and fixed the Broker's commission in the amount of 1.9% of the purchase price plus marketing fees above \$10,000, in this instance, \$2,010.

3. In the following months between April 16, 2013 and August 1, 2013 Eastern Consolidated conducted 27 property tours, mailed the Offering Memorandum to 5,317 bidders, received 82 signed Confidentiality Agreements and spent \$12,010 on advertising in the New York Times, the Real Deal and on the Internet (see bill appended hereto as "A").

4. On August 1, 2013, Eastern conducted a sale of the Property. Four bidders qualified to participate in the auction. Bidding started at \$7,600,000. 35 bids were made at the auction.

5. The winning bid was \$9,500,000 – Assa Properties, Inc. – a non-insider unrelated to the Debtor.

6. By order dated October 25, 2013 the Bankruptcy Court entered an order authorizing the sale of the Debtor's Property for \$9,500,000.

7. Based upon the foregoing, the Broker seeks a commission for the real estate brokerage services it provided to the Debtor in the amount of \$180,500, (i.e. 1.9% of \$9,500,000) plus \$2,010 for marketing and a combined \$182,510.

8. The brokerage services for which compensation is being sought were rendered by the Broker solely on behalf of the Debtor in connection with its Chapter 11 case and not on behalf of any other person or entity. The Broker listed the Property in the appropriate real estate databases, advertised and used its contacts to generate interested buyers, handled inquiries and conducted multiple showings for the Property. The Broker's services were not structured at a billable rate, but rather were based on a commission, contingent on the Broker's success at producing a buyer for the Property. Accordingly, the Broker did not maintain time sheets.

WHEREFORE, the Broker respectfully requests that the Court enter an order awarding a brokerage commission in the sum of \$182,510; and that the Court grant such other, further and different relief as the Court may deem just, proper.

Dated: New York, New York
November 18, 2013

EASTERN CONSOLIDATED

By: David Schechtman
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New York, NY 10017
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UNITED STATES BANKRUPTCY COURT
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**ORDER APPROVING THE FINAL FEE APPLICATION BY EASTERN
CONSOLIDATED**

Upon the application ("Application") of Eastern Consolidated ("Broker") as real estate broker for Direct Realty, LLC for an order approving payment of a real estate brokerage commission ("Application") in connection with the sale of the Debtor's property located at 334-336 West 46th Street, New York, New York; and upon the hearing held on December 12, 2013 ("Hearing"), and after due deliberation and sufficient cause appearing therefor, it is

ORDERED, that upon the closing of the sale of the Property, the Broker shall be entitled to fees in the amount of \$182,510.

Dated: New York, New York
December ___, 2013

UNITED STATES BANKRUPTCY JUDGE